



Rep. Renée Kosel

**Filed: 3/24/2010**

09600HB5485ham001

LRB096 16763 RLJ 39589 a

1 AMENDMENT TO HOUSE BILL 5485

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5485 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-139-12 as follows:

6 (65 ILCS 5/11-139-12) (from Ch. 24, par. 11-139-12)

7 Sec. 11-139-12. For the purpose of acquiring,  
8 constructing, extending, or improving any combined waterworks  
9 and sewerage system under this Division 139, or any property  
10 necessary or appropriate therefor, any municipality has the  
11 right of eminent domain, as provided by the Eminent Domain Act.

12 The fair cash market value of an existing waterworks and  
13 sewerage system, or portion thereof, acquired under this  
14 Division 139, which existing system is a special use property,  
15 may be determined by considering Section 15 of Article I of the  
16 Illinois Constitution, the Eminent Domain Act, and the Uniform

1 Standards of Professional Appraisal Practice and giving due  
2 consideration to the income, cost, and market approaches to  
3 valuation based on the type and character of the assets being  
4 acquired. In making the valuation determination, the  
5 historical and projected revenue attributable to the assets,  
6 the costs of the assets, and the condition and remaining useful  
7 life of the assets may be considered while giving due account  
8 to the special use nature of the property as used for water and  
9 sewerage purposes. ~~in accordance with the following valuation~~  
10 ~~principles.~~

11 The fair cash market value of existing facilities, whether  
12 real or personal, may be determined by utilizing the net  
13 earnings which are attributable to the facilities in question  
14 for the preceding fiscal year on the date the condemnation  
15 petition is filed, over the remaining useful life of the  
16 facilities. Said earnings may be capitalized under an annuity  
17 capitalization method and discounted to present value. The fair  
18 cash market value of any extensions, additions or improvements  
19 of the existing system made subsequent to the date that the  
20 condemnation petition is filed may be determined by utilizing  
21 the probable net earnings attributable to the facilities in  
22 question over the remaining life of the facilities. The  
23 probable earnings may be capitalized under an annuity  
24 capitalization method and discounted to present value.

25 Additionally, in determining the fair market value of  
26 existing utility facilities, whether real or personal,

1 consideration may be given to the depreciated value of all  
2 facilities and fixtures constructed by the utility company and  
3 payments made by the utility company in connection with the  
4 acquisition or donation of any waterworks or sanitary sewage  
5 system.

6 The value of the land and easements upon which the  
7 facilities are situated may be determined in accordance with  
8 the foregoing principles, giving due account to the special use  
9 of the property for water and sewerage purposes.

10 For the purposes of this Section no prior approval of the  
11 Illinois Commerce Commission, or any other body having  
12 jurisdiction over the existing system, shall be required.

13 (Source: P.A. 94-1055, eff. 1-1-07.)

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law."